

Revised Reporting Procedures for Deposit Funds and Clearing Accounts

Definitions:

1. Deposit funds (89X6xxx) are used to temporarily record and hold monies that **do not** belong to the Federal Government. Some examples include 1) state and local income taxes withheld pending payment; 2) deposits held for which the government is solely a banker, fiscal agent, or custodian; and 3) monies held awaiting distribution on the basis of a legal determination or investigation. Deposit funds are **excluded** from the Federal budget.
2. Clearing accounts (89F38xx) are used for unclassified transactions when there is a reasonable presumption that the amounts belong to the Federal Government. Clearing accounts hold transactions that will subsequently be credited to a Federal receipt or expenditure account. Clearing accounts are **included** in the Federal budget.

Summary of the New Requirements/Procedures

1. Deposit funds will **no longer** include unidentified remittances. You must credit unidentified remittances from the public to 89F3875, "Budget clearing account (suspense)." Credit unclassified transactions between Federal agencies, including OPAC transactions, to 89F3885, "Undistributed intergovernmental payments." You should assume that transactions represent budgetary activity unless there is a reasonable presumption that they are non-budgetary.
2. Deposit fund 89X6875, "Suspense," will be **discontinued**. As of June 30, 2000, you must transfer all balances from this account into appropriate clearing accounts, other existing deposit fund accounts, new deposit funds now available (see #3 below). Treasury will close this account, and no additional transactions will be allowed to be recorded into 89X6875 after June 30, 2000.
3. The following new deposit funds have been established and are now available as appropriate:
 - a) **Advances without orders from non-Federal sources (89X6500)** - Use this account for advances without orders from non-Federal sources. However, credit advances without orders from another Federal agency to 89F3885.
 - b) **Small escrow amounts (89X6501)** - Use this account for small escrow amounts held less than 1 year. Headquarters will monitor use of this account to ensure that the total does not exceed \$1 million in the aggregate.

- c) **Other Federal payroll withholding allotments (89X6276)** - Use this account only when Federal payroll withholding amounts, not including deductions for U.S. Savings Bonds, must be held to make periodic payments.
 - d) **Fees Paid Under Protest, FERC (89X6430)** - Used by FERC only for fees paid under protest which are held in this account pending a decision as to the proper disposition of the protested fees.
- 4. Deposit funds must hold non-Government monies for only one specific purpose. For example, 89X6425 should only contain the uninvested balance of collections from alleged violators of DOE regulations and not advances for co-sponsored projects, which should be held in 89X6424.
 - 5. Deposit funds should never have a **negative** balance. Over disbursement of a deposit fund constitutes an Anti-Deficiency Violation and should be reported promptly.
 - 6. Deposit funds should not be used to “temporarily” clear Statement of Differences amounts.